

Company AS TALLINNA SADAM  
Type Company Release  
Category Management interim statement or quaterly financial report  
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Attachments:

- ASTallinna-10003372811-en.pdf (<http://oam.fi.ee/en/download?id=4564>)
- ASTallinna-10003372813-et.pdf (<http://oam.fi.ee/en/download?id=4565>)

Currency

Title AS Tallinna Sadam financial results for 2020 Q1

In the first quarter of 2020, the revenue of AS Tallinna Sadam (hereinafter "the Group") amounted to EUR 27.9 million, declining by 2.2% compared to the same period last year. The Group's adjusted EBITDA was EUR 16.2 million in the first quarter, declining by 4.1% year-on-year. Profit decreased by EUR 1.1 million to EUR 10.0 million in the first quarter.

The results of the first quarter were mostly affected by the restrictions on the movement of passengers imposed in mid-March due to the COVID-19 pandemic, as a result of which several passenger ships of international lines stopped their traffic. As a result, Group's revenues from shipping fees and, due to the lack of passengers, passenger fees decreased even more significantly. However, the continuation of freight transport kept many passenger ships in service, some of them with a sparse schedule.

By segments, the Passenger harbours segment suffered the most in the first quarter due to the COVID-19 pandemic. The financial results of Cargo harbours, Ferry and Other segments were less affected by the pandemic.

In the first quarter, the volume of investments more than doubled compared to the same period last year. Mainly due to the continuation of the construction works of the passenger terminal D and the beginning of the construction of the cruise terminal in the Old City Harbour and the dredging and expansion works of the entrance channel of the Paldiski South Harbour.

Key figures (in million EUR):

	Q1	Q1	+/-	%
	2020	2019		



Revenue	27.9	28.5	-0.6	-2.2%
Adjusted EBITDA	16.2	16.9	-0.7	-4.1%
Adjusted EBITDA margin	58.0%	59.1%	-1.1	-
Operating profit	10.5	11.5	-1.0	-8.2%
Income tax	0	0	-	-
Profit for the period	10.0	11.0	-1.0	-9.6%
Investments	8.8	3.9	4.8	121.9%

	31.03.2020	31.12.2019	+/-	%
Total assets	641.0	630.6	10.4	1.7%
Net debt	160.2	160.3	0.0	0.0%
Equity	387.0	377.0	8.3	2.2%
Number of shares	263.0	263.0	0	-

#### Revenue

Revenue for the first quarter of 2020 decreased by EUR 0.6 million, i.e. 2.2%, year on year. In terms of revenue streams, the biggest drop was in electricity sales: EUR 0.5 million, i.e. 28%, due to a decline in the consumption of electricity and network service at harbours (a mild winter being a factor) and a decrease in the price of electricity. Revenue increased in the segments of Ferry and Other but decreased in Passenger harbours and Cargo harbours segments. Passenger harbours revenue decreased mainly in passenger fees (EUR (-0.4 million) due to a decrease in the number of passengers in the second half of March as a result of movement restrictions imposed in connection with COVID-19. The decrease was offset by an increase of nearly EUR 0.2 million in vessel dues revenue, which resulted mainly from growth in the estimated average annual port call revenue, attributable to a decrease in the average vessel-based discount on tonnage charges resulting from a decline in the annual number of port calls (due to the COVID-19 measures).

The revenue of the Cargo harbours segment decreased by almost EUR 0.4 million, mainly due to a decrease in revenue from electricity and network charges (through the combined effect of a decrease in consumption and the electricity price). Revenue from vessel dues and cargo charges decreased somewhat because of a fall in the number of port calls by container ships and an increase in the volume and share of liquid bulk cargo whose charges are lower than those of other cargo types.

Ferry segment revenue grew by EUR 0.2 million i.e. by 2.8%, mainly because the fee rates, which are linked to the Estonian consumer and fuel price indices and



wage inflation, were higher than in the comparative period.  
The revenue of the segment Other grew through the indexation of the contractual fees of the icebreaker Botnica to the Estonian consumer price index.

#### EBITDA

Adjusted EBITDA decreased by EUR 0.7 million (4.1%), slightly less than operating profit because the growth in depreciation, amortisation and impairment expenses did not affect EBITDA. In terms of segments, adjusted EBITDA increased in the Cargo harbours and the Ferry segments but decreased in other segments, particularly in the Passenger harbours segment due to lower revenue and higher expenses. Adjusted EBITDA margin dropped from 59.1% to 58.0%.

#### Profit

Profit amounted to EUR 10.0 million, EUR 1.0 million (-9,6%) less than in the comparative period last year.

#### Investments

The Group's capital investments of the period totaled EUR 8.8 million. The figure is larger than the one for the same period last year when investments amounted to EUR 3.9 million.

The investments were mainly related to the reconstruction of passenger terminal D at the Old City Harbour, the start of the construction of a cruise terminal and dredging works at the Paldiski South Harbour.

#### Interim condensed consolidated statement of financial position:

In thousands of euros	31 March 2020	31 December 2019
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ASSETS		
Current assets		
Cash and cash equivalents	44,605	35,183
Trade and other receivables	13,812	10,614
Contract assets	217	0
Inventories	462	408
Non-current assets held for sale	98	142
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Total current assets	59,194	46,347
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Non-current assets



Investments in associates	1,452	1,609
Other long-term receivables	298	294
Property, plant and equipment	577,980	575,267
Intangible assets	2,070	2,015
Total non-current assets	581,800	579,185

Total assets	640,994	625,532
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#### LIABILITIES

##### Current liabilities

Loans and borrowings	16,266	16,266
Derivative financial instruments	209	243
Provisions	1,044	1,915
Government grants	290	193
Taxes payable	586	893
Trade and other payables	17,847	11,722
Contractual liabilities	2,955	33
Total current liabilities	39,197	31,265

##### Non-current liabilities

Loans and borrowings	188,580	191,580
Government grants	25,278	24,754
Other payables	3	2



Contract liabilities	902	913
Total non-current liabilities	214,763	217,249
Total liabilities	253,960	248,514
EQUITY		
Share capital at par value	263,000	263,000
Share premium	44,478	44,478
Statutory capital reserve	18,520	18,520
Hedge reserve	-209	-243
Retained earnings (prior periods)	51,263	6,859
Profit for the period	9,982	44,404
Total equity	387,034	377,018
Total liabilities and equity	640,994	625,532

Interim condensed consolidated statement of profit or loss:

In thousands of euros	Q1 2020	Q1 2019
Revenue	27,890	28,527
Other income	1,767	275
Operating expenses	-8,327	-7,397
Personnel expenses	-4,677	-4,291
Depreciation, amortisation and impairment	-5,989	-5,550



Other expenses	-150	-106
Operating profit	10,514	11,458
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Finance income and costs		
Finance income	11	13
Finance costs	-386	-438
Finance costs - net	-375	-425
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Share of profit of an associate accounted for under the equity method	-157	5
Profit before income tax	9,982	11,038
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Income tax	0	0
Profit for the period	9,982	11,038
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Attributable to owners of the Parent	9,982	11,038
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Basic and diluted earnings per share (in euros)	0.04	0.04
Basic and diluted earnings per share - continuing operations (in euros)	0.04	0.04
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Interim condensed consolidated statement of cash flows:

	3 months	3 months
In thousands of euros	2020	2019
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Cash receipts from sale of goods and services	30,041	33,009
Cash receipts related to other income	13	118



Payments to suppliers	-8,047	-8,911
Payments to and on behalf of employees	-3,661	-3,910
Payments for other expenses	-138	-102
Income tax paid on dividends	0	-4,949
Cash from operating activities	18,208	15,255
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Purchases of property, plant and equipment	-6,859	-3,837
Purchases of intangible assets	-96	-107
Proceeds from sale of property, plant and equipment	1,099	16
Interest received	5	14
Cash used in investing activities	-5,270	-3,914
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Repayments of loans received	-3,000	-3,000
Interest paid	-516	-593
Other payments related to financing activities	-0	-4
Cash from/used in financing activities	-3,516	-3,597
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NET CASH FLOW	9,422	7,744
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Cash and cash equivalents at beginning of the period	35,183	42,563
Change in cash and cash equivalents	9,422	7,744
Cash and cash equivalents at end of the period	44,605	50,307
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Tallinna Sadam is one of the largest cargo- and passenger port complexes in the Baltic Sea region, which in 2019 serviced 10.64 million passengers and 19.9 million tons of cargo. In addition to passenger and freight services, Tallinna Sadam group also operates in shipping business via its subsidiaries - OÜ TS



Laevad provides ferry services between the Estonian mainland and the largest islands, and OÜ TS Shipping charters its multifunctional vessel m/v Botnica for icebreaking and construction services in Estonia and offshore projects abroad. Tallinna Sadam group is also a shareholder in an associate AS Green Marine, which provides waste management services. Tallinna Sadam group's sales in 2019 totaled EUR 130.5 million, adjusted EBITDA EUR 74.3 million and net profit EUR 44.4 million.

Additional information:

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